



ConocoPhillips – UK Tax Policy

Financial Year ending 31 December 2018

Overview

This document describes how ConocoPhillips manages its UK tax affairs and associated stakeholder relations.

This Policy has been prepared in accordance with the requirements of section 161 and Schedule 19 of the Finance Act 2016.

ConocoPhillips understands the importance of engaging constructively with Government stakeholders, such as HMRC. Our [SPIRIT Values](#) and [Code of Business Ethics & Conduct](#) constitute key components of our company culture. This framework underpins our UK Tax Policy and guides how we conduct our tax affairs.

Our objective is to maintain procedures and take decisions which are fully compliant with UK tax law, ensuring that the correct amount of tax is paid at the correct time.

This Policy applies to the ConocoPhillips UK group companies (“the Group”)¹ which are ultimately owned by ConocoPhillips, an entity listed in the US on the New York Stock Exchange under the symbol “COP”.

Governance, Risk Management & Relationship with HMRC

The responsibility for the day to day management of the Group’s tax affairs lies with the UK Tax Manager who is

supported by a team of qualified personnel.

The UK Tax Manager reports to the UK Directors of the Group, keeping them apprised of the Group's tax affairs. This ensures that necessary levels of accountability and oversight are maintained within the Group. This Policy is reviewed and approved by the Group directors. The UK Tax Manager also advises the Global Vice President Tax of all material UK tax matters.

Staff roles and responsibilities are clearly defined and understood. Responsibilities for different taxes are assigned to personnel with the requisite experience, knowledge and qualifications to identify the tax issues which may arise. Staff are required to update their training and technical knowledge regularly so that professional care and judgement is applied both to the assessment of tax matters and in ensuring that technically sound tax decisions are made.

Internal tax controls and processes are reviewed regularly, at least every year, and updated as appropriate to ensure robust tax reporting and compliance.

As part of its tax management, the Group is committed to dealing openly and transparently with HMRC. Communications with HMRC are conducted on a real-time basis wherever possible. For significant business transactions, the Group will actively seek to obtain advance tax clearance, where HMRC offer this option. In cases of significant complexity, the Group may seek

professional advice to support the reasoned tax decisions it has taken.

Attitude to risk and tax planning

In managing its tax affairs, the Group is guided by the following objectives:

- Full compliance with UK tax legislation;
- Open, transparent and constructive engagement with HMRC; and
- Timely compliance and payment of taxes.

The Group aims to minimise tax risk as far as possible, considering the size and complexity of its business.

The Group engages in prudent tax planning in support of our business activities and does not engage in artificial tax motivated transactions. Reliefs or tax incentives provided by Government are claimed where possible and only in the manner intended. The overriding tax objective is that the correct amount of tax is paid at the correct time.

¹ The Group comprises the following UK sub-groups of ConocoPhillips; ConocoPhillips Holdings Limited and its respective subsidiaries, Burlington Resources (UK) Holdings Limited and its subsidiary and CSPL Holdings Limited (dormant) and its subsidiary (dormant).